

Memorandum

TO : Timothy J. Reardon, Special Assistant to the
President

DATE: August 28, 1962

FROM: *EJ* Edwin Guthman, Special Assistant for Public Information

SUBJECT: Weekly Report of the Justice Department

Havana Raid: The Department of Justice is investigating to determine whether the men who participated in the raid on Havana last Saturday morning violated the neutrality laws. The Coast Guard has taken into custody two boats (believed to have been used in the raid) under provisions of Title 14, section 89, which authorizes the Coast Guard to seize vessels suspected of possible violations of the neutrality laws. The Boats were seized to preserve the status quo pending completion of the investigation.

Possible Questions:

1. Will the Government prosecute the men who took part in the raid on Havana?

Suggested Answer: This matter is presently being investigated. Whether there has been a violation of the criminal laws for which these students should be prosecuted, depends on assessment of all the facts in the light of our neutrality laws which, as I understand it, forbid a privately raised naval expedition from leaving the United States to fight against a nation with whom the United States is at peace.

2. What is the United States doing to prevent similar incidents from occurring?

Suggested Answer: The Immigration and Naturalization Service and the Coast Guard for some months have had programs to prevent incidents of this kind from occurring. However, with the thousands of miles of coastline to patrol and the several thousand pleasure boats in the Florida area, it is impossible to guarantee that an incident such as this will not happen again. There has been a long history of efforts to control the movement of small boats in and out of the United States waters, none of which have been wholly successful. Some of you will recall the prohibition period. Others will remember the supplying of arms and equipment to various Latin-American revolutionary groups, including, I believe, those of one Fidel Castro in the 1956 through 1958 period.

Background: The neutrality laws are among the oldest of our statute books. Most of the provisions date from the first years of our independence and, with only minor revisions, have continued in force since the 18th century. The Attorney General stated in April 1961 at the time of the Cuban invasion that the laws clearly "were not designed for the kind of situation which exists in the world today."

The neutrality laws were never designed to prevent individuals from leaving the United States to fight for a cause in which they believed. There is nothing in the neutrality laws which prevents refugees from Cuba from returning to that country to fight against Castro. Nor is an individual prohibited from departing from the United States, with others of like belief, to join still others in a second country for expedition against a third country.

There is nothing criminal in an individual leaving the United States with the intent of joining an insurgent group. There is nothing criminal in urging others to do so or several persons departing at the same time for such a purpose.

What the law does prohibit is a group organized as a military or naval expedition or enterprise from departing from the United States to take action as a military force against a nation with whom the United States is at peace.

CRIMINAL DIVISION

Rice Allotments: A federal grand jury in Galveston, Texas, will be asked late today or tomorrow to return indictments against two Department of Agriculture employees and two confederates.

The employees are David C. Stephens who was ACS County Manager in Brazoria County, Texas and Tacitus C. Thornhill, former ACS Manager in Waller County, Texas. The evidence against them involves acceptance of bribes -- \$20,905 by Stephens and \$29,385 by Thornhill. The two non-government employees are Laurence G. Newman and Pearl Bellard of Lake Jackson, Texas.

Investigation by the Department of Agriculture and Department of Justice disclosed that the four were involved in a scheme purportedly transferring rice allotments, whereas, in fact, the transfers were never made and the buyers were growing in violation of the allotment program.

On August 6, Victor M. Dziewas pleaded guilty to a criminal information charging him with accepting \$8,500 in bribes from Stephens. Dziewas is a former ACS farmer-Fieldman in College Station, Texas.

All three government employees involved have been discharged -- Stephens on June 26 and Thornhill on July 12. Dzielwas was suspended on July 19 and discharged August 16.

These cases are not connected with Billie Sol Estes.

ANTITRUST DIVISION

Seagram Suit: On August 24, the Department asked for an injunction prohibiting price-fixing across the country by the House of Seagram, the distributing company for Joseph E. Seagram and Sons, the nation's largest distiller. This civil complaint was a companion suit to a criminal information filed in Miami against the House of Seagram and two southern Florida distributors, Miami Crown Distributors and Palm Beach Crown Distributors, charging them with price-fixing. Another criminal information charged 27 retail defendants with price-fixing. Criminal informations rather than grand jury indictments were used because the grand jury sitting in Miami has been questioned as being improperly impaneled.

Milk Damage Suit: A suit seeking damages for rigged milk bids to Fairchild Air Force Base near Spokane was filed August 28 against Carnation Company of Washington and Inland States Dairy Association. The two companies pleaded nolo contendere and were fined as the result of an indictment returned March 16, 1962, charging them with submitting rigged bids in selling some \$400,000 worth of milk to the air base.

CIVIL RIGHTS DIVISION

Mississippi Constitution and Voting Law Suit: The Department today filed suit asking for a three-judge federal court to rule two sections of the Mississippi state constitution and seven state laws in violation of the federal constitution. The two constitutional sections attacked are amendments added in 1954 and 1960. The 1954 amendment requires that voting applicants be able to interpret as well as read the state constitution and the 1960 amendment adds "good moral character" as a voting requirement. Those previously registered are exempted and the sections are used against Negroes seeking to register for the first time.

Six of the statutes questioned were enacted last May. They add oppressive requirements to the registration process such as newspaper publication of the names of voting applicants and a procedure whereby any voter can attack any qualification of a new voter, including good moral character. The seventh is a 1960 law allowing voting registrars to destroy records.

Defendants in the suit are the State of Mississippi and Governor Ross Barnett, Attorney General Joe T. Patterson and Secretary of

State Heber A. Ladner as members of the state board of election commissioners. Also named are the registrars of six counties with high Negro population and low Negro voter registration.

Perry County, Alabama Voting Suit: The Department filed a voting suit August 27 charging the Perry County, Alabama Board of Registrars with discrimination against Negro voting applicants. Named as defendants were the board, Neely B. Mayton, its chairman and Members John A. Blackburn and Floyd Bamberg. The State of Alabama was also named as a defendant as the county board is a state agency. The suit charged that the board used different and more stringent standards for Negro applicants, rejected qualified Negroes, met at irregular times and unscheduled places to avoid registering Negroes, and used the application form as a test for Negroes but not for whites. There are 5,202 Negroes and 3,441 white persons of voting age in the county, but there are 3,100 white registered voters and only 257 Negroes.

Fort Lee, Virginia School Complaint by NAACP: On August 23, the NAACP filed a complaint about the assignment of Negro military personnel at Fort Lee, Virginia to segregated schools. The Department of Justice is looking into the situation thoroughly.

If the President is asked about the situation at Fort Lee, it is suggested that his answer go no further than the above statement. Burke Marshall is attempting to negotiate a settlement, but the situation is very tenuous and at this time there is no way of predicting whether the schools will be integrated this fall.

School Openings: Ten schools in Pensacola, Florida admitted Negroes for the first time this week. There were no incidents. In all, 33 school districts will desegregate for the first time this fall. In at least 24 other districts desegregation is being accelerated. Violence is not anticipated. Local officials and citizen leaders are working to build an atmosphere of cooperation in most cases.